GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3070
ANSWERED ON:10.08.2001
DEDUCTION OF TAX AT SOURCE BY BCCI
PRABHUNATH SINGH

Will the Minister of FINANCE be pleased to state:

(a) whether under the Income-tax Act, 1961, an income payable to a non-resident sportsman, not being an Indian citizen is taxed at source;

(b) if so, the reasons for not deducting the tax at source in respect of payment made to various non-resident sports bodies by the BCCI during 1991-92 to 1997-98; and

(c) the action the government have taken or propose to take against the Board for Control of Cricket in India (BCCI)?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN)

(a) Yes, Sir. Income-tax is deductible at source in respect of income payable to a non-resident sportsman who is not a citizen of India

(a) The BCCI did not deduct tax at source, in respect of paymentsmade to various non-resident sports bodies, on the plea that the payment of guarantee money to the Cricket Control Boards offoreign countries is not of the nature of the income and accordingly, no income-tax is payable on such payments.

(b) For not complying with the provisions of the Income-taxAct, 1961, BCCI has been treated as an assessee deemed to be an assessee in default. Tax demands have been raised which have also been paid by BCCI under protest.